

AMENDMENTS TO LB 1300

- 1           1. Insert the following new section:
- 2           "Section 1.       Section 77-4103, Revised Statutes
- 3 Supplement, 2000, is amended to read:
- 4           77-4103. For purposes of the Employment and Investment
- 5 Growth Act, unless the context otherwise requires:
- 6           (1) Any term shall have the same meaning as used in
- 7 Chapter 77, article 27;
- 8           (2) Base year shall mean the year immediately preceding
- 9 the year during which the application was submitted;
- 10          (3) Base-year employee shall mean any individual who was
- 11 employed in Nebraska and subject to the Nebraska income tax on
- 12 compensation received from the taxpayer or its predecessors during
- 13 the base year and who is employed at the project;
- 14          (4) Compensation shall mean the wages and other payments
- 15 subject to withholding for federal income tax purposes;
- 16          (5) County average annual wage shall mean the most recent
- 17 average annual wage paid by all employers in a county or in the
- 18 state, whichever is lower, for the most recent calendar year
- 19 reported as of July 1 by the Department of Labor. County average
- 20 annual wage for a project located in more than one county shall
- 21 mean the county average annual wages for each county in which the
- 22 project is located, multiplied by the total of the average annual
- 23 total employment for each county in which the project is located,
- 24 summing the projects for all counties in which the project is

1 located, then dividing the result by the average annual total  
2 employment for all counties in which the project is located;

3 (6) Entitlement period shall mean the year during which  
4 the required increases in employment and investment were met or  
5 exceeded, and the next six years;

6 ~~(6)~~ (7) Equivalent employees shall mean the number of  
7 employees computed by dividing the total hours paid in a year by  
8 the product of forty times the number of weeks in a year;

9 ~~(7)~~ (8) Investment shall mean the value of qualified  
10 property incorporated into or used at the project. For qualified  
11 property owned by the taxpayer, the value shall be the original  
12 cost of the property. For qualified property rented by the  
13 taxpayer, the average net annual rent shall be multiplied by the  
14 number of years of the lease for which the taxpayer was originally  
15 bound, not to exceed ten years or the end of the third year after  
16 the entitlement period, whichever is earlier. The rental of land  
17 included in and incidental to the leasing of a building shall not  
18 be excluded from the computation;

19 ~~(8)~~ (9) Motor vehicle shall mean any motor vehicle,  
20 trailer, or semitrailer as defined in section 60-301 and subject to  
21 licensing for operation on the highways;

22 ~~(9)~~ (10) Nebraska employee shall mean an individual who  
23 is either a resident or partial-year resident of Nebraska;

24 ~~(10)~~ (11) Number of new employees shall mean the excess  
25 of the number of equivalent employees employed at the project  
26 during a year over the number of equivalent employees during the  
27 base year;

1                   ~~(11)~~ (12) Qualified business shall mean any business  
2 engaged in the activities listed in subdivisions (b) (i) through (v)  
3 of this subdivision or in the storage, warehousing, distribution,  
4 transportation, or sale of tangible personal property. Qualified  
5 business shall not include any business activity in which eighty  
6 percent or more of the total sales are sales to the ultimate  
7 consumer of food prepared for immediate consumption or are sales to  
8 the ultimate consumer of tangible personal property which is not  
9 (a) assembled, fabricated, manufactured, or processed by the  
10 taxpayer or (b) used by the purchaser in any of the following  
11 activities:

12                   (i) The conducting of research, development, or testing  
13 for scientific, agricultural, animal husbandry, food product, or  
14 industrial purposes;

15                   (ii) The performance of data processing,  
16 telecommunication, insurance, or financial services. Financial  
17 services for purposes of this subdivision shall only include  
18 financial services provided by any financial institution subject to  
19 tax under Chapter 77, article 38, or any person or entity licensed  
20 by the Department of Banking and Finance or the Securities and  
21 Exchange Commission;

22                   (iii) The assembly, fabrication, manufacture, or  
23 processing of tangible personal property;

24                   (iv) The administrative management of any activities,  
25 including headquarter facilities relating to such activities; or

26                   (v) Any combination of the activities listed in this  
27 subdivision;

1           ~~(12)~~ (13) Qualified employee leasing company shall mean a  
2 company which places all employees of a client-lessee on its  
3 payroll and leases such employees to the client-lessee on an  
4 ongoing basis for a fee and, by written agreement between the  
5 employee leasing company and a client-lessee, grants to the  
6 client-lessee input into the hiring and firing of the employees  
7 leased to the client-lessee;

8           ~~(13)~~ (14) Qualified property shall mean any tangible  
9 property of a type subject to depreciation, amortization, or other  
10 recovery under the Internal Revenue Code of 1986, or the components  
11 of such property, that will be located and used at the project.  
12 Qualified property shall not include (a) aircraft, barges, motor  
13 vehicles, railroad rolling stock, or watercraft or (b) property  
14 that is rented by the taxpayer qualifying under the Employment and  
15 Investment Growth Act to another person;

16           (15) Qualifying wage shall mean the greater of one  
17 hundred twenty-five percent of the county average annual wage in  
18 the county or counties in which the project is located or one  
19 hundred percent of the regional average annual wage in the region  
20 or regions in which the project is located;

21           (16) Region shall mean the following regions:

22           (a) Panhandle region, composed of the counties of Banner,  
23 Box Butte, Cheyenne, Dawes, Duel, Garden, Kimball, Morrill, Scotts  
24 Bluff, Sheridan, and Sioux;

25           (b) Mid-plains region, composed of the counties of  
26 Arthur, Chase, Cherry, Dawson, Dundy, Frontier, Furnas, Gosper,  
27 Grant, Hayes, Hitchcock, Hooker, Keith, Lincoln, Logan, McPherson,

1 Perkins, Red Willow, and Thomas;

2 (c) Central region, composed of the counties of Adams,  
3 Blaine, Buffalo, Clay, Custer, Franklin, Garfield, Greeley, Hall,  
4 Hamilton, Harlan, Howard, Kearney, Loup, Merrick, Nance, Nuckolls,  
5 Phelps, Sherman, Valley, Webster, and Wheeler;

6 (d) Northeast region, composed of the counties of  
7 Antelope, Boone, Boyd, Brown, Burt, Cedar, Colfax, Cuming, Dakota,  
8 Dixon, Dodge, Holt, Keya Paha, Knox, Madison, Pierce, Platte, Rock,  
9 Stanton, Thurston, and Wayne;

10 (e) Southeast region, composed of the counties of Butler,  
11 Fillmore, Gage, Jefferson, Johnson, Nemaha, Otoe, Pawnee, Polk,  
12 Richardson, Saline, Saunders, Seward, Thayer, and York;

13 (f) Omaha region, composed of the counties of Douglas,  
14 Sarpy, Cass, and Washington; and

15 (g) Lincoln region, composed of the county of Lancaster;

16 (17) Regional average annual wage, for a project located  
17 in one region, shall mean the most recent average annual wage paid  
18 by all employers in the region for the most recent calendar year  
19 calculated by multiplying the average annual wage for each county  
20 in the region for the most recent calendar year reported as of July  
21 1 by the Department of Labor by the corresponding average annual  
22 total employment in each county, summing the products for all  
23 counties in the region, and then dividing the result by the average  
24 annual total employment of all counties in the region. Regional  
25 average annual wage, for a project located in more than one region,  
26 shall mean the regional average annual wage for each region in  
27 which the project is located, multiplied by the total of the

AM2763  
LB 1300  
DSH-02-14

AM2763  
LB 1300  
DSH-02-14

1 average annual total employment for each region in which the  
2 project is located, the product then divided by the sum of the  
3 average annual total employment for the regions;

4 ~~(14)~~ (18) Related persons shall mean any corporations,  
5 partnerships, limited liability companies, or joint ventures which  
6 are or would otherwise be members of the same unitary group, if  
7 incorporated, or any persons who are considered to be related  
8 persons under either section 267(b) and (c) or section 707(b) of  
9 the Internal Revenue Code of 1986;

10 ~~(15)~~ (19) Taxpayer shall mean any person subject to the  
11 sales and use taxes and either an income tax imposed by the  
12 Nebraska Revenue Act of 1967 or a franchise tax under sections  
13 77-3801 to 77-3807, any corporation, partnership, limited liability  
14 company, or joint venture that is or would otherwise be a member of  
15 the same unitary group, if incorporated, which is, or whose  
16 partners, members, or owners are, subject to such taxes, and any  
17 other partnership, limited liability company, S corporation, or  
18 joint venture when the partners, shareholders, or members are  
19 subject to such taxes; and

20 ~~(16)~~ (20) Year shall mean the taxable year of the  
21 taxpayer.

22 The changes made in this section by Laws 1997, LB 264,  
23 apply to investments made or employment on or after January 1,  
24 1997, and for all agreements in effect on or after January 1, 1997.

25 The changes made in this section by this legislative bill shall  
26 apply to applications filed on or after the effective date of this  
27 act."

AM2763  
LB 1300  
DSH-02-14

AM2763  
LB 1300  
DSH-02-14

- 1                   2. On page 3, lines 15 through 20, strike the new matter
- 2 and insert "at least the qualifying wage".
- 3                   3. On page 5, line 19, strike "section" and insert
- 4 "sections 77-4103 and"; and in line 20 strike "is" and insert
- 5 "are".
- 6                   4. Renumber the remaining sections accordingly.